Failure of Urban Co-operative Banks in A.P.

2168. SHRI S.M. LALJAN BASHA: Will the Minister of FINANCE be pleased to state.

(a) the number and names of urban co-operative banks which have been out of business in Andhra Pradesh during the last three years;

(b) what assistance Government propose to give to the depositors in such banks;

(c) the funds released for this purpose by Government; and

(d) the action taken by Government to help people involved in these defunct or sick urban co-operative banks?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) The list of Urban Co-operative Banks (UCBs) in Andhra Pradesh, whose licence have been cancelled and banks which were put under directions during the last three years, are given in Statement-I *(see* below)

(b) and (c) After cancellation, the banks are taken into liquidation with a view to settle the claims of depositors up to Rs. 1 lakh as per the scheme of Deposit Insurance and Credit Guarantee Corporation (DICGC). The claims sanctioned by DICGC for settlement as submitted by the banks under liquidation during the last three years are given in Statement II *(see* below). The Charminar Co-operative Urban Bank Ltd. is under reconstruction scheme evolved by the Government of Andhra Pradesh under Sub-Section 115(B) of AP Co-operative Societies Act, 1964 and approved by RBI effective from the 3rd March, 2003 in exercise of the powers conferred on it. As per the scheme, DICGC has already released Rs. 23 crore to the small depositors of the bank.

(d) In the case of defunct banks, the liquidators are appointed by the Registrar of Co-operative Societies who in turn submit details of claims c[f] individual depositors to DICGC. After verifying and satisfying the claims of depositors, the DICGC arranges to pay the depositors upto Rs. 1.00 lakh per depositor through the bank.

Statement-I

List of Urban Co-operative Banks in Andhra Pradesh whose licences were cancelled and Banks which were put under directions during the last three years

S. No.	Name of the Bank	Date of Cancellation of licence
A.	**Licence Cancelled**	
1	2002	
1.	Aryan Co-operative Urban Bank Ltd.	25.01.2002
2	First City Co-operative Urban Bank Ltd.	18.04.2002
3.	Jawahar Co-operative Urban Bank Ltd.	20.05.2002
4	Rajampet Co-operative Urban Bank Ltd.	05.07.2002
5	Praja Co-operative Urban Bank Ltd.	06.07.2002
6.	Mega City Co-operative Urban Bank Ltd.	8.8.2002
7	Armoor Co-operative Urban Bank Ltd.	04.09.2002
8.	Mother Theresa Co-operative Urban Bank Ltd	19.10.2002
9	Pithapuram Co-operative Urban Bank Ltd.	14.11.2002
	2003	
10.	Star Co-operative Urban Bank Ltd,	05.01.2003
11.	Dhana Co-operative Urban Bank Ltd	12.04.2003
12.	Narasaraopeta Co-operative Urban Bank Ltd.	07.06.2003
13.	Manaikanta Co-operative Urban Bank Ltd.	16.07.2003
14.	Vasundhara Co-operative Urban Bank Ltd	08.09.2003
15.	Neelagiri Co-operative Urban Bank Ltd.	06.10.2003
16.	Trinity Co-operative Urban Bank Ltd.	05.12.2003
	2004	
17.	Mahalaxmi Co-operative Urban Bank Ltd.	19.01.2004
18.	Kalyan Co-operative Urban Bank Ltd.	19.01.2004
19.	Vijaya Mahila Co-operative Urban Bank Ltd.	28.01.2004
20.	Swamy Gnananada Yogeshwara Mahila Co-operative Urban Bank Ltd.	03.03.2004
21.	Sai Co-operative Urban Bank Ltd.	01.06.2004
22.	Satya Sai Co-operative Urban Bank Ltd.	19.06.2004
23.	Belampally Co-operative Urban Bank Ltd.	10.08.2004
B. I	**Banks placed under Directions**	
24.	Prudential Co-operative Urban Bank Ltd.	
25	Vasavi Co-operative Urban Bank Ltd.	
26.	Srinivasa Padmavathi Co-operative Urban Bank Ltd.	
27.	Hyderabad Co-operative Urban Bank Ltd.	
28.	Bobbili Co-operative Urban Bank Ltd.	
29	Sree Bharathi Co-operative Urban Bank Ltd	
30.	Sreekalahasthi Co-operative Urban Bank Ltd.	
31.	Palakol Co-operative Urban Bark Ltd.	

Statement-II

Claims sanctioned by DICGC for settlement during the last three years

S. No.	Name of the Bank	Amount sanctioned by OICGC (Amount in Rupees)
	2002	
1.	Aryan Co-operative Urban Bank Ltd.	46,781.033.93
2.	First City Co-operative Urban Bank Ltd.	12,873,233.79
3.	Jawahar Co-operative Urban Bank Ltd.	Claims received in July, 2004-under process
4.	Rajampet Co-operative Urban Bank Ltd.	16,345,120.48
5.	Praja Co-operative Urban Bank Ltd.	9,254,481. 40
6.	Mega City Co-operative Urban Bank Ltd.	16,197,577.39
7.	Armoor Co-operative Urban Bank Ltd.	708,437.60
8.	Mother Theresa Co-operative Urban Bank Ltd.	50,461,501.63
9.	Pithapuram Co-operative Urban Bank Ltd.	7,697,971.56
	2003	
10.	Star Co-operative Urban Bank Ltd.	2,626.79096
11.	Dhana Co-operative Urban Bank Ltd.	23,855,343.90
12.	Narasaraopeta Co-operative Urban Bank Ltd.	Claims list yet to be received
13.	Manikanta Co-operative Urban Bank Ltd.	21,677,670.15
14.	Vasundhara Co-operative Urban Bank Ltd.	Claim received in August, 2004-under process
15.	Neelagiri Co-operative Urban Bank Ltd.	-do-
16.	Trinity Co-operative Urban Bank Ltd.	Claim list yet to be received
	2004	
17.	Mahalaxmi Co-operative Bank Ltd.	-do-
18.	Kalyan Co-operative Urban Bank Ltd.	-do-
19.	Vijaya Mahila Co-operative Urban Bank Ltd.	-do-
20.	Swamy Gnanananda Yogeshwara Mahila Co-operative Urban Bank Ltd.	-do-
21.	Sai Co-operative Urban Bank Ltd.	-do-
22.	Satya Sai Co-operative Urban Bank Ltd.	-do-
23.	Bellampally Co-operative Urban Bank Ltd.	-do-

Non-Salaried class under Tax Net

2169. SHRI TARIQ ANWAR: Will the Minister of FINANCE be pleased to state: